

**Maine Revised Statutes**  
**Title 10: COMMERCE AND TRADE**  
**Chapter 222: PAYROLL PROCESSORS**

**§1495-D. LICENSING; PROOF OF INSURANCE AND BONDING; FEES**

**1. License required.** A person desiring to engage or continue in business in this State as a payroll processor shall apply to the administrator for a license under this chapter on or before January 31st of each year. The application must be in a form prescribed by the administrator. The administrator may refuse the application if it contains erroneous or incomplete information. A license may not be issued unless the administrator, upon investigation, finds that the financial responsibility, character and fitness of the applicant and, where applicable, its partners, officers or directors, warrant belief that the business will be operated honestly and fairly within the purposes of this chapter.

[ 2003, c. 668, §6 (NEW); 2003, c. 668, §12 (AFF) . ]

**2. Proof of fidelity insurance.** Each applicant for a limited payroll processor license, and each applicant for a full-service payroll processor license that issues payroll checks, shall provide to the administrator proof of one of the following, at the applicant's option, in an amount 2 times the highest weekly payroll processed by the applicant in the preceding year or in the amount of \$5,000,000, whichever is less:

A. Fidelity bond; [2003, c. 668, §6 (NEW); 2003, c. 668, §12 (AFF) . ]

B. Employee dishonesty bond; [2003, c. 668, §6 (NEW); 2003, c. 668, §12 (AFF) . ]

C. Third-party fidelity coverage; or [2003, c. 668, §6 (NEW); 2003, c. 668, §12 (AFF) . ]

D. Liability insurance, including crime coverage. [2003, c. 668, §6 (NEW); 2003, c. 668, §12 (AFF) . ]

[ 2011, c. 308, §4 (AMD) . ]

**3. Proof of surety bond or other security.** Except as provided in section 1495-E, subsection 4, an applicant under subsection 1 shall provide to the administrator proof of the surety bond or other security instrument required pursuant to section 1495-E.

[ 2005, c. 278, §1 (AMD) . ]

**3-A. Conditional, probationary or provisional licenses.** The administrator, within the administrator's discretion, may issue a conditional, probationary or provisional license to an applicant. A conditional, probationary or provisional license may run for any time period the administrator considers appropriate and must be consistent with ensuring the maximum practicable protection for employers.

[ 2005, c. 278, §2 (NEW) . ]

**4. Fees.** The initial license application and annual renewal application must include the fees set out in this subsection.

A. The fee for a full-service payroll processor license or a limited payroll processor license is \$200 if the payroll processor has fewer than 25 employers as payroll processing clients; \$500 if the payroll processor has from 25 to 500 employers as payroll processing clients; and \$800 for those payroll processors that have more than 500 employers as payroll processing clients. [2011, c. 308, §5 (NEW) . ]

B. The fee for a restricted payroll processor license is \$100. [2011, c. 308, §5 (NEW).]

The aggregate of license fees and other fees and assessments provided for by this chapter is appropriated for the use of the administrator. Any balance of these funds does not lapse but must be carried forward to be expended for the same purpose in the following fiscal year.

[2011, c. 308, §5 (RPR).]

#### SECTION HISTORY

2003, c. 668, §6 (NEW). 2003, c. 668, §12 (AFF). 2005, c. 278, §§1-3 (AMD). 2011, c. 308, §§4, 5 (AMD).

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